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ABSTRACT

Recommendations for action based on survey data, review and analysis of the literature, and personal experience are presented in this report from the Montgomery County (Maryland) Commission on Child Care. The report notes the community's concerns regarding the need for high quality early childhood programs and cites the linkages between wages, benefits, and turnover and the quality of care. Data from a county survey (with a 52% response rate) show that in 1990, the average child care worker earned about \$15,000 annually and that the annual turnover rate for child care center staff was 34 percent. About 75 percent of senior staff had paid vacation and sick days. Only 7 percent had fully paid health insurance, while 67 percent had partially paid health insurance. Fewer than 25 percent had paid pension plans. The report recommends: (1) reimbursement rates that accurately reflect the cost of care paid by families in the county and advocacy for state-funded subsidy programs; (2) the development by a county office or agency of a consumer education program to stimulate parents to become involved in attaining high quality child care; (3) expansion of county activities that disseminate information to employers and bring employers together in joint efforts to address mutual child care concerns; and (4) the provision of materials for providers to use to educate parents about the importance of high quality care. Contains 8 references. (LB)

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QUALITY CHILD CARE-- AN INVESTMENT FOR THE FUTURE

A SPECIAL REPORT OF THE
MONTGOMERY COUNTY
COMMISSION ON CHILD CARE

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Montgomery County Government

May 22, 1991

The Honorable Neal Potter, County Executive
The Honorable Isiah Leggett, President and
Members of the County Council
Rockville, Maryland 20850

Dear Mr. Potter, Mr. Leggett and Members of the Council:

The Commission believes it is everyone's responsibility to invest in quality child care—the future of our society depends on it. The Commission has prepared recommendations for action, based on our survey data, review and analysis of the literature, and personal experiences. These recommendations take into account the current financial situation of the County government and require only modest expenditures of staff time to implement.

We would like to draw your attention in particular to the "Summary of Conclusions and Recommendations" found on page 1, and to the "Recommendations for Action" that begin on page 12 of this report.

Longitudinal research has shown that children who have attended a high quality early childhood program are significantly more successful in adult life. Success in high school and in later employment are more likely among children who have experienced a high quality early childhood program.

National studies about child care centers have shown that there is a direct correlation between high caregiver wages and high quality programs for children. According to the National Child Care Staffing Study, better quality centers offered higher wages and better adult work environments, experienced lower teaching staff turnover, employed better educated and trained staff and had more staff caring for fewer children.

Based on our concerns about wages, benefits and turnover of caregivers in Montgomery County, the Economics Issues Committee of the Commission on Child Care sponsored two surveys, one of child care centers and one of family day care providers. The

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Mr. Potter, Mr. Leggett and Members of the Council
May 22, 1991
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purpose of this project was to learn about the child care industry in Montgomery County. The Commission feels that the information gained from the surveys can stimulate improvements in the quality of care the children in our County receive.

The results of this report are only the beginning of a long-term effort to guarantee quality child care for the children of Montgomery County. The Commission is committed to implementing the recommendations for action in this report as an important first step in this effort. We appreciate your attention to this report and look forward to working with you to ensure the implementation of the recommended actions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anne Schmitz".

Anne Schmitz, Chair

ACKNOWLEDGEMENTS

Two surveys were undertaken to provide the data that forms the background for this report. The completion of these two surveys was made possible with the generous support of GEICO Corporation, a local business that supplied all of the printing, envelopes and postage, including the postage—paid return envelopes for both surveys. The staff of the Child Care Division in the Department of Family Resources, particularly Beth Molesworth, provided oversight and coordination, essential to the completion of both surveys.

The survey of child care centers and staff was undertaken by the Division of Program Development and Planning, Department of Family Resources. Special thanks to Ken Steger of the Division staff who worked closely with the Economic Issues Committee to carry out this survey and who authored the report titled, "Wage and Benefits Survey of Child Care Center Staff in Montgomery County." We also want to acknowledge the support of the Organization of Child Care Directors of Montgomery County who publicized the importance of the survey and made follow—up telephone calls to increase the response rate among the recipients of the surveys.

The survey of family day care providers was undertaken by The Life Cycle Institute of The Catholic University of America. Special thanks to Commission—member and Catholic University professor Dr. Thomas Long and his colleague, Dr. Che Fu Lee, who helped the Committee design the survey form, analyzed the data and is preparing a report. We also wish to thank the Family Day Care Association of Montgomery County for the telephone calls they placed to encourage providers to return their surveys.

We are especially grateful to all of the center directors, center staff and family day care providers who took the time to respond to the surveys and to share very detailed information with us.

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SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The overwhelming evidence from educational research has established the critical importance of the years before kindergarten. What happens in the first five years of life sets the foundation for what happens to a child in elementary school and beyond. The research indicates that, as adults, children who have attended a high quality early childhood program are more likely to have completed their high school education, to enroll in higher education programs, to be employed and to have a stable family life.

At present, parents are unlikely to appreciate or recognize the long-term benefits of quality child care. At the same time, the community has failed to recognize the costs to society, extending well beyond the preschool years, of not assuring a quality early childhood experience for every child who needs child care.

Well-trained caregivers facilitate children's learning and development in the early years and are pivotal to the delivery of quality care. The National Child Care Staffing Study showed that the most important predictor of the quality of care children receive, among the adult work environment variables, is staff wages. Clearly, the better the wages and benefits, the more likely it is that a program can attract and retain well-trained staff.

The challenge is to make quality care available and affordable to all families so that the children of today, who will become the citizens and leaders of tomorrow, will have a sound foundation for their school and adult years.

Recommendations

The Commission has developed recommendations for all of the participants in the child care arena—parents, employers, government and child care providers. Our overall recommendation to the Council and Executive is that they direct their offices and agencies to take an active role in making all of these participants aware of how they can help. This is not an issue that can be resolved by government action alone. The priority recommendations are:

A. The Montgomery County government, in the subsidy program it operates to help families pay for child care, should set reimbursement rates that accurately reflect the cost of care paid by families in this County, and advocate for State-funded subsidy programs to do the same. Subsidy programs should reflect the higher cost of living in Montgomery County than elsewhere in the State.

B. To stimulate parents to become involved in attaining quality child care, the Montgomery County government should assign a County office or agency to develop a consumer education program designed to help parents understand that quality care requires adequately-trained caregivers and adequate training requires adequate compensation. Consumer education materials should—

(a) Encourage parents, when they are choosing child care, to find out about wages, turnover rates and training, in addition to other quality indicators such as staff-child ratio and group size; and

(b) Inform parents of the advantages of licensed child care so as to discourage the use of illegal care. Parents, as the purchasers of care, are in the best position to bring about change by avoiding providers who do not offer quality programs or who are operating illegally.

C. To foster employers' involvement in child care concerns, the Montgomery County government should direct County staff to continue and to expand their activities that—

(a) Disseminate information to employers about how they can facilitate employees' access to quality child care; and

(b) Bring employers together in joint efforts to address mutual child care concerns. The Child Care and the Workplace unit in the Child Care Division of the Department of Family Resources has been very effective in responding to individual employer queries. In addition, with the co-sponsorship of the Commission, the Office of Economic Development, and the County's chambers of commerce, they organized a conference for employers, titled "Quality Child Care for a Quality Work Force," held on May 3, 1991, which presented the following eight strategies for employer involvement:

- | | |
|----------------------------------|--------------------------------------|
| > Resource and referral services | > Seminars and counseling |
| > Direct subsidies | > Dependent care assistance programs |
| > Sick child care programs | > On-site and contract services |
| > Consortium centers | > Flexible work schedules |

D. To stimulate child care providers to address the issue of quality child care, the Montgomery County government should supply materials for providers to use to educate parents about the importance of quality care. Providers have direct access to parents and can use that access to increase parents' awareness of the relationship between wages and quality.

QUALITY EARLY CHILDHOOD PROGRAMS—A CONCERN OF THE COMMUNITY

Who Needs Child Care?

Children need care so that their parents can go to work or complete school or training. The economy depends on these parents to participate in the labor market. In 1987, 69 percent of all American women of child-bearing age were in the labor force. That number is expected to increase to 80 percent by 1995. [1, p. 7]

In 1987, two-thirds (63.3%) of all the women in Montgomery County with children under six years old were working full-time, and 28.1 percent were working part-time. Roughly 21 percent of all the households in the County, i.e., 52,800 households, were headed by single parents. [2, p. 1]

In 1987, 58 percent of all children in America under age 14 were in non-parental child care. Of those, 52 percent were cared for in their own homes, 30 percent in family day care homes, and 10 percent in centers. These are national figures. What we know about Montgomery County dates from a survey undertaken in 1983. At that time, it was estimated that there were 205,315 households in the County, of which 64,658 included 107,615 children under age 14. Approximately 23,500 of these children were in some form of child care. [1, p. 7]

The median family income in Montgomery County in 1989 was \$56,260. According to a recent study of the working poor in Montgomery County, the minimum income needed to adequately support a family of three in 1989 was roughly \$20,000 or \$9.61 an hour. At that time, the average selling price for a previously-owned single-family, detached home in the County was \$200,000 and the average price for a townhouse at resale was \$118,000. New homes were even more expensive. [2, pp. 1-2]

In Montgomery County, it is not surprising that, for many families, both parents need to be in the labor force to assure the income necessary to meet the cost of living here.

Is It Care or Is It Education?

When both parents, or the single parent with custody of the child, work or attend school full time, a child typically spends nine to ten hours a day in a child care setting. But high quality child care is not babysitting. It is early childhood education. The National Association for the Education of Young Children (NAEYC) explains that, for young children, care and education are integrally related. The younger the child, the more impossible it is to

make any distinctions between the two. Learning is embedded in the caregiving function, whether provided by a parent or another individual. During the early years of life, it often is the child care provider who influences much of the child's social, emotional and cognitive learning. [3, p. viii]

What Influences a Parent's Choice of Care?

One would expect parents to choose high quality early childhood programs for their children. In reality, many parents choose child care based on what is convenient and affordable. They may not know how to recognize quality; quality care may be too costly; or quality care simply may not be available.

Quality programs are available in Montgomery County, but not everywhere and not always affordable to everyone. To find a quality program, a parent has to have a greater understanding of indicators of quality and, sometimes, be willing to travel further or pay more to obtain that care. For example, two indicators of quality are a smaller number of children for each adult and a smaller group size.

Quality Care—A Concern of the Community

The effects of the choice that a parent makes in choosing child care may not be seen until many years later. Many of the benefits of quality early childhood education are exhibited many years after that choice was made. And the cost of poor quality may be paid, at least in part, by society rather than by the parents.

Longitudinal research by the High/Scope Educational Research Foundation based on Head Start and other quality programs show that children enrolled in early childhood programs tend to be more successful in later schooling, are more competent socially and emotionally, and have greater opportunities for good health than children who are not enrolled in high quality early childhood programs. The research further indicates that, as adults, children who have attended a high quality early childhood program are more likely to have completed their high school education, to enroll in higher education programs, to be employed and to have a stable family life. [4, pp. 11–12]

Thus, quality child care is important to taxpayers, government officials and employers who must pay for remedial education and for other programs that address social ills, such as unemployment and criminal justice. Quality child care is important to employers who are concerned about the labor force of the future. Quality child care is important to all members of the community who care about the well-being of tomorrow's adults.

As a community, we can be pro-active—taking steps now to improve the quality of early childhood programs, or we can react later—spending private and public dollars to remedy problems after they happen.

THE LINKAGE BETWEEN WAGES, BENEFITS, TURNOVER AND THE QUALITY OF CARE

In 1988, the National Child Care Staffing Study examined the quality of care in 227 child care centers in five metropolitan areas which represent the diversity of center-based care throughout the country. The Study found that:

Staff provided more sensitive and appropriate caregiving if they completed more years of formal education, received early childhood training at the college level, earned higher wages and better benefits, and worked in centers devoting a higher percentage of the operating budget to the teaching personnel. . . . The most important predictor of the quality of care children receive, among the adult work environment variables, is staff wages. [5, p. 4]

This does not mean that simply paying teachers more adds to the quality of the care, but that better-trained teachers tend to be paid more, and better-trained teachers deliver higher quality care. Well-trained providers know what is appropriate at each stage of a child's development and what behavior to expect. A well-trained provider plans and organizes the children's environment and their time to encourage age-appropriate learning. Two-year-olds will not be found sitting at miniature desks, but rather engaged in play allowing them to interact with and learn from a variety of materials.

The National Study also found that teaching staff turnover nearly tripled in the last decade from 15% in 1977 to 41% in 1988. A caregiver who is available on a consistent basis has always been high on the list of what is important for a young child. It used to be that parents were urged not to move their children frequently from program to program for this reason. Now, because of high staff turnover, staying with one program does not guarantee a child a consistent caregiver. The National Study found that:

Children in centers with higher turnover rates spent less time engaged in social activities with peers and more time in aimless wandering. They also were less competent in language and social development. [6, p. 45]

WHAT THE DATA SHOW ABOUT MONTGOMERY COUNTY

The Montgomery County Commission on Child Care sought to document the extent of the wages, benefits and turnover problem in the County. The purpose of the Commission in undertaking the surveys was to assemble valid data about the local situation.

The Center Survey

The survey of child care centers and center staff, conducted in the fall of 1990, received responses from 129 of the 248 licensed programs in the County, representing a 52 percent response rate. The respondents included non-profit centers, independent for profit centers, centers that are part of a for-profit chain, and centers operated by the Housing Opportunities Commission (HOC) and Montgomery College. However, it would appear that well-staffed centers are more likely to respond than understaffed centers, and the 52 percent who did respond may represent the better staffed and better quality child care centers in Montgomery County. [2]

Salaries and Education

The data show that:

- > The average child care center worker in Montgomery County was making \$7.21 an hour or \$14,997 annually.

- > Salaries for senior staff positions, that is, people in charge of a group of preschool children, averaged \$8.07 an hour or \$16,785. The median was \$7.79 an hour or \$16,203.

- > Aides, that is, people who assist the senior staff or group leader, earned an average of \$5.66 an hour or \$11,773 annually. [2]

The salaries reported for the 350 senior staff positions in our survey was from \$4.50 an hour for an individual with the minimum training required to \$12.85 an hour for an individual with a master's degree. The median starting salary among the centers reporting was \$7.31 an hour or \$15,204 annually. The median of the highest salaries reported was \$8.84 an hour or \$18,387. [2]

The education of senior staff in the centers that responded to the survey tended to be higher than the minimum requirement of a certificate verifying 64 classroom hours of early childhood training. About half held the certificate while the other half held an AA degree or a higher college degree. Thirty-nine percent (39%) held a BA, BS or higher degree. [2]

The salary differential for attaining higher education was minimal. The median wage for a senior staff member holding a certificate was \$7.34 an hour or \$15,267 annually. Senior staff holding bachelor's degrees earned a median of \$8.25 an hour or \$17,160 annually, an increase of just under \$2,000. [2]

In contrast, once an individual earns a bachelor's degree, it is possible to apply for an entry-level teaching position in the Montgomery County Public Schools which pays a starting salary of \$26,945, almost \$10,000 a year more than the median senior staff salary for a person with a BA degree. Also, the teacher's salary is for a 10-month work year and includes a full package of benefits. These teacher positions include the Head Start teachers who serve the same preschool age group as senior staff members in child care centers.

Staff Benefits

Benefits provided to full-time senior staff also were investigated. The data show that about three-fourths of the senior staff have paid vacation days and sick days. Only seven percent have fully-paid health coverage while 67 percent have partially-paid health coverage. Only 31 percent have partially- or fully-paid life insurance. Pension plans are almost non-existent, with six percent having fully-paid pension plans and 17 percent having partially-paid pension plans. [2]

Staff Turnover

In our survey, the annual turnover rate was 34%, that is, one out of every three child care center staff employed as of October 1989 left their jobs during the following year. The survey found that about 30 percent of the senior staff have been working at their present center for less than one year. One out of every five senior staff surveyed said they planned to quit their jobs during the following year. The reason most frequently cited (40.9%) is to make more money. A typical remark from staff who wrote comments on their survey forms was "I don't make enough money to live." [2]

Salaries and Fees

The data also show the direct relationship between the fees paid for child care and the salaries staff receive. Using the full-day, full-time weekly fees for four-year-olds as the benchmark, the survey found that in centers charging \$75 to \$84 a week for care, the average senior staff salary is \$7.28, or 79 cents below the average found in the survey. For centers charging \$105 to \$114 a week, the average senior staff salary is \$8.12, or 5 cents above the average. [2]

For approximately 2,000 children in Montgomery County, all or part of their child care fees are paid by State and local government vouchers. The County vouchers pay up to 90 percent of the average market rate. The State vouchers pay considerably less than market rate in Montgomery County and have no adjustment to reflect higher costs in our County as compared to other counties in the State. Most programs require parents to pay part or all of the difference between the voucher amount and the rate charged other parents; some do not.

Participating in the voucher program may be the same as accepting lower fees. The practices of a center in accepting or declining children whose care is paid for entirely or partially by a government voucher also shows a direct relationship in our survey to staff salaries. In centers that responded that they accept "some vouchers," the average salary reported for all staff other than directors was \$7.41 an hour or \$15,413. In centers indicating that 75 percent or more of their children are paid for by vouchers, the average staff salary was \$6.80 hourly or \$14,144. [2] When the staff are not paid adequate salaries, the staff, in effect, are subsidizing the program.

Putting It in Perspective

When seen as a responsibility not only to children and their parents, but to society as well, it is clear that the role of a child care provider is significantly undervalued. Remember that the median salary for a senior staff position was \$16,203 annually, and ranged from medians of \$15,204 to \$18,387. Other occupations being compensated at similar levels, based on the 1989 median salaries, were hospital laundry workers (\$15,400), nurses' aides/orderlies (\$16,100), messenger/drivers (\$16,200), and membership/ subscription clerks (\$17,600). Occupations that paid considerably more, again based on 1989 medians, included secretaries (\$22,500), truck drivers (\$23,600), and full-time furniture salespersons in department stores (\$35,500). [7, pp. 113-115]

Recall that the 1989 family median income for all families in Montgomery County was \$56,260. Also, an income below \$20,000 was considered to be poverty level for a family of three in the County. It is not unusual for a center director to find that a staff member qualifies for subsidized child care for the staff member's own child.

The Family Day Care Provider Survey

The survey of family day care providers, also conducted in the fall of 1990, was mailed to 1,112 registered providers in Montgomery County. Family day care providers may care for up to six or eight children, depending on the children's ages, in their own homes. In Maryland, "registration" is the name given to the licensing system. Anyone who cares for one

or more unrelated children in his or her own home on a regular basis is required by law to be registered. Unregistered providers are unlawful and subject to legal action.

Three hundred forty-one questionnaires were returned for a response rate of 30.67 percent. [8] It should be pointed out that the better-educated providers probably were more likely to respond than providers for whom the 12-page questionnaire appeared to be too challenging.

Education

Of these 341 providers, 91 percent finished high school and another 6.5 percent obtained a General Education Diploma (GED) through equivalency examination, indicating that more than 95 percent of the providers responding had obtained at least the equivalent of a high school education. [8]

Sixty-two percent of all respondents indicated that they had completed one or more years of college education and 61 percent reported that they had some type of specific training that would equip them to be family day care providers. Forty-six percent reported that they had participated in workshops offered by child care organizations. More than 20 percent had a 64-hour certificate, i.e., the required training for a senior staff position in a day care center. Just over 20 percent of the respondents had an AA, BA or graduate degree. For the most part, college degrees were obtained in education or one of the social sciences including sociology. [8]

Ninety-four percent of the respondents had been employed in other fields before becoming a family day care provider. Of these, 23 percent had previously worked with children. Nearly 14 percent of all respondents had been school teachers before entering the family day care field, another five percent served on the staffs of day care centers and three percent had been employed as nurses or social workers. Of those who had worked but had not worked with children prior to entering family day care, nearly half (49.3%) had been employed in some clerical capacity.

Income

The median gross income for family day care providers (not total family income) was between \$10,000 and \$12,000. The median net income for providers' businesses was between \$8,000 and \$9,000. About 80 percent of the providers reported that they netted less than \$20,000 during 1989, while 78.6 percent indicated that they grossed less than \$20,000. [8]

More than 80 percent reported that they worked 49 or more hours each week as a family day care provider; while 46.3 percent reported that they spent 57 hours or more on the job. [8] A 50-hour work week represents 10 hours a day five days a week. At a gross income of \$12,000, the hourly pay is about \$4.80. Of the providers who responded, 33 percent were the only source of income in their household. [8]

Benefits

Most of the providers (85%) reported that they have a source of health insurance and, of those, about two-thirds (67%) are covered by a spouse's policy. Thirteen percent reported having no health insurance, and 51.6 percent said they would participate in a group health insurance plan if it were priced within their ability to pay. [8]

Ninety-six percent of the providers who responded require a written contract with parents. Within these contracts, however, most providers made few requirements for any of the usual benefits associated with employment. Fewer than two percent made any contractual provision for a pension or for maternity leave; under 25 percent contracted for paid sick days, and fewer than 43 percent contracted for paid vacation time. The only benefit included in the contracts of the majority of providers (91.4%) were paid holidays. [8]

Turnover

Despite the lack of typical job benefits and the modest income earned from their longer than average work days, family day care providers who responded have a generally positive outlook on life with 93 percent indicating that they were "very happy" or "pretty happy." When asked specifically how satisfied they were with the work they did, 56.8 percent said "very satisfied." Fewer than two percent indicated that they were "very dissatisfied." [8]

Three-quarters of those responding said they became family day care providers because they wanted to be home with their own children, and more than half of these (53%) had children age three or younger at home. When asked if they saw themselves still working as a family day care provider two years in the future, more than half (55.1%) said that they thought that it was very likely. Under 25 percent thought that they were not likely to be working as family day care providers two years in the future. [8]

For those indicating that they were likely to quit the profession within two years, the reasons most frequently given were (1) their own children would no longer require full-time care; (2) they were tired of sacrificing their own personal or family privacy by taking other families' children into their homes; and (3) they saw greater opportunity to earn more money in another field. [8]

Among the respondents, most (53.5%) had worked three years or less as providers. However, twenty percent had worked nine years or more. The mean number of years respondents had been providing family day care was 5.5 years, while about one-fourth (22.8%) had been in business for one year or less. [8]

Putting It in Perspective

Ninety-five percent of the family day care providers operate their businesses year-round and 80 percent spend more than 48 hours each week providing care. Despite having a more than full-time job, more than two-thirds of family day care providers gross less than \$16,000 per year, and half gross \$12,000 or less. Sixty-two percent of family day care providers attended college and 30 percent possess a college degree. [8]

In contrast, classroom aides in the public school system, who are not in charge of a class and who are not required to have any education beyond high school, have a starting annual salary of \$14,331 for six-hour days over a ten-month work year and receive a broad range of excellent benefits.

RECOMMENDATIONS FOR ACTION

The Montgomery County Executive and County Council have charged the Commission on Child Care with advising them on child care issues and devising recommendations for action. The Commission has developed recommendations for all of the participants in the child care arena—parents, employers, government and child care providers. Our overall recommendation to the Council and Executive is that they direct their offices and agencies to take an active role in making all of these participants aware of how they can help. This is not an issue that can be resolved by government action alone. The goal of these recommendations is to improve the quality of child care. Each set of recommendations is arrayed in order of priority.

A. With respect to its own programs and that of other government entities, the Montgomery County government should:

1) *In the subsidy program it operates to help families pay for child care, set reimbursement rates that accurately reflect the cost of care paid by families in this County and advocate for State-funded subsidy programs to do the same.* Subsidy programs should reflect higher costs of living and working in Montgomery County than elsewhere in the State. The County-funded Working Parents Assistance (WPA) Program pays 90 percent of the market rate for child care and adjusts the rate annually based on a survey of the cost of care throughout the County. The rate is much lower in the Purchase of Care (POC) program administered by the State and is the same rate throughout the State.

2) *Continue to set eligibility levels in child care subsidy programs to ensure that all families that need child care can afford it and advocate for State-funded subsidy programs to do the same.* The County's WPA Program is designed to promote family independence through economic self-sufficiency. Its income limits reflect the actual cost of living in Montgomery County. In contrast, the State's POC subsidy program provides assistance only to families whose income falls below 80 percent of the 1983 median income. This effectively denies assistance to many families for whom the market rate for child care is a burden, but who do not qualify for the subsidy program.

3) *Continue to support the Child Care Division and the Children's Resource Center* and to foster communication among all the participants in the child care field. Much to its credit, the County Government has played a significant role in recent years in promoting improvements in child care and distributing information to those who are involved in child care or who wish to become involved. This role needs to be maintained and strengthened.

4) *Consider child care as a small business when designing new programs to assist small businesses*, e.g., insurance pools. The child care industry will benefit from being seen as just one of the many small businesses that support the County's economy. The County's Office of Economic Development, for example, already has indicated it will include child care programs when addressing the needs of small businesses.

5) *Continue to encourage quality child care* by coordinating training, supporting accreditation and promoting professional organizations for child care providers. The C.O.N.T.A.C.T. Child Care unit in the Child Care Division of the Department of Family Resources has provided and should continue to provide their valuable services to child care providers and prospective providers which include consultation, orientation, networking, technical assistance, advocacy, coordination and training.

6) *Continue and expand grant and scholarship programs for caregiver training*. The clear relationship between caregiver training and quality care justifies on-going government support.

7) *Continue County support for the Child Care Professional Recognition Event*. This event has become the one event each year to give public acknowledgement to the effect of quality child care on the future of our children. The support of Child Care Division staff has been critical to its success.

B. To stimulate parents to become involved in attaining quality child care, the Montgomery County government should:

1) *Assign a County office or agency to develop a consumer education program* designed to help parents understand that quality care requires adequately-trained caregivers and that adequate training requires adequate compensation. Consumer education materials should—

(a) Encourage parents, when they are choosing child care, to find out about wages, turnover rates and training, in addition to other quality indicators such as staff-child ratio and group size; and

(b) Inform parents of the advantages of licensed child care so as to discourage the use of illegal care. Parents, as the purchasers of care, are in the best position to bring about change by avoiding providers who do not offer quality programs or who are operating illegally.

2) *Encourage parents to speak out* in favor of reimbursement rates in State-funded subsidy programs that reflect the cost of care paid by families in Montgomery County. Often

parents who are directly affected by the subsidy are not active in lobbying for changes that would benefit themselves and their children.

3) *Inform parents that employers are becoming involved in child care issues* and that they should consider speaking to their employers about obtaining their assistance with child care needs.

C. To foster employers' involvement in child care concerns, the Montgomery County government should:

1) *Direct County staff to continue and to expand their activities that—*

(a) Disseminate information to employers about how they can facilitate employees' access to quality child care; and

(b) Bring employers together in joint efforts to address mutual child care concerns. The Child Care and the Workplace unit in the Child Care Division of the Department of Family Resources has been very effective in responding to individual employer queries. In addition, with the co-sponsorship of the Commission, the Office of Economic Development, and the County's chambers of commerce, they organized a conference for employers, titled "Quality Child Care for a Quality Work Force," held on May 3, 1991, which presented the following eight strategies for employer involvement:

- | | |
|----------------------------------|--------------------------------------|
| > Resource and referral services | > Seminars and counseling |
| > Direct subsidies | > Dependent care assistance programs |
| > Sick child care programs | > On-site and contract services |
| > Consortium centers | > Flexible work schedules |

2) *Encourage employers, who have direct access to many child care consumers, to distribute literature to their employees* that will increase awareness of the relationship between quality child care and compensation, training and turnover of providers. For example, the Child Care Division might prepare a single-panel brochure suitable for a payroll envelope based on this report and its recommendations.

3) *Encourage employers to speak out* in favor of setting reimbursement rates in the State's subsidy programs to accurately reflect the cost of care paid by families in Montgomery County. Employers should be especially concerned that subsidy programs, which are intended to support parents who work, or are in training or looking for work, fall short of paying the actual cost of care. The business community has been effective in lobbying for other child care programs and should support increases in subsidy payments.

4) *Suggest that employers—*

- (a) *serve as mentors* for a local child care center or family day care provider by offering business and administrative advice;
- (b) *encourage employees to volunteer* professional expertise on boards of directors of child care centers; and
- (c) *sponsor scholarships and training programs* for caregivers.

D. To stimulate child care providers to address the issue of quality child care, the Montgomery County government should:

- 1) *Supply materials for providers to use to educate parents* about the importance of quality care. Providers have direct access to parents and can use that access to increase parents' awareness of the relationship between wages and quality.
- 2) *Encourage providers to advocate* for reimbursement rates in the State's subsidy programs that accurately reflect the cost of care paid by families in Montgomery County. Child care programs that accept children who receive government subsidies should not have to underwrite the cost of care by paying lower salaries.
- 3) *Encourage providers to take advantage of available training programs.*
- 4) *Encourage providers to join professional associations* for child care workers and other business organizations.

Regarding centers in particular, the County government should:

- 1) *Encourage and assist centers in developing career ladders* for employees so that those with more experience and training are rewarded. Currently, differentials in pay for staff with more education are so small that they do not create any incentive for child care staff to get additional training and remain in the field.
- 2) *Assist centers in finding affordable benefits plans for staff*, including health insurance and pension plans. The C.O.N.T.A.C.T. program in the Child Care Division has held a workshop to publicize available insurance plans and should continue to offer this type of assistance to providers.
- 3) *Encourage centers to seek accreditation* as a formal recognition of quality care and help underwrite the cost of applying for accreditation, if needed. Different forms of accreditation are offered to centers by NAEYC and by the Maryland State Department of

Education. Accreditation evaluates the program based on standards that include more indicators of quality than do licensing standards.

4) *Help centers publicize training opportunities* to their employees and to encourage their employees to pursue continued education and training; help to underwrite the costs.

Regarding family day care providers in particular, the County government should:

1) *Develop materials to help providers communicate to parents* that family day care providers are operating a small business and depend upon the income from this business for their livelihood.

2) *Encourage providers to seek accreditation* as a formal recognition of quality care and help underwrite the cost of applying for accreditation, if needed. The National Association of Family Day Care Providers offers an accreditation based on standards that include more indicators of quality than do licensing standards.

EXPLANATION OF TERMS

As used in this document, "child care" is care provided on a regular, continuing basis by persons other than parents during hours parents are working or otherwise unavailable. There are several types of care and several age groups served.

Types of care include:

- *In home care:* Provided in a child's own home by a relative or family employee.
- *Family day care:* Provided in a caregiver's home for a few (usually between one and six) children. When care for one or more unrelated children is provided, the home and the caregiver must be registered according to Maryland law. Registration requires certain minimum standards such as fire safety, number and ages of children allowed, and health practices.
- *Child care center:* Provided in a setting that usually is not a home, although a small center may be in a home, usually for a greater number of children (seven — 200) in groups of similar ages. Centers must be licensed under Maryland law. Licensing regulations cover such items as staff qualifications, ratio of staff to children, number of children in a group and space requirements.
- *Illegal care:* Provided in a home that is not registered as required by State law.

Age groups served in child care include:

- *Infants:* Under 18 months
- *Toddlers:* Age 19 to 23 months
- *Preschoolers:* Ages two to five
- *Schoolagers:* Ages five to nine
- *Older schoolagers:* Ages nine to 13

The County and State operate programs to help parents pay the cost of child care if both parents, or the single parent, are working or attending school or a training program, and the family's income qualifies them for this assistance.

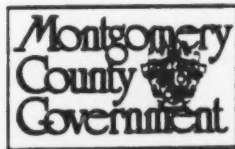
The State program, which is funded with federal and state funds, is called *Purchase of Care (POC)*.

The County program, which is entirely funded by the County, is called the *Working Parents Assistance Program (WPA)*.

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